

SENATE BILL 281

R7

0lr0149
CF HB 469

By: **The President (By Request – Administration) and Senators DeGrange, Robey, Kramer, King, Currie, Munson, Brochin, Forehand, Frosh, Garagiola, Klausmeier, and Lenett**

Introduced and read first time: January 22, 2010

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 16, 2010

CHAPTER _____

1 AN ACT concerning

2 **Motor Vehicle Excise Tax – Tax Credit for Electric Vehicles**

3 FOR the purpose of repealing a certain obsolete credit against the motor vehicle excise
4 tax for certain qualified hybrid vehicles and certain qualified electric vehicles;
5 allowing a credit against the motor vehicle excise tax for certain qualified
6 plug-in electric drive vehicles for a certain period; transferring certain money
7 from the Strategic Energy Investment Fund to the Transportation Trust Fund
8 in a certain fiscal year; requiring the Governor to transfer money from the
9 Strategic Energy Investment Fund to the Transportation Trust Fund in certain
10 amounts in certain fiscal years; and generally relating to a motor vehicle excise
11 tax credit for certain qualified plug-in electric drive vehicles.

12 BY repealing

13 Article – Transportation

14 Section 13–815

15 Annotated Code of Maryland

16 (2009 Replacement Volume and 2009 Supplement)

17 BY adding to

18 Article – Transportation

19 Section 13–815

20 Annotated Code of Maryland

21 (2009 Replacement Volume and 2009 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That Section(s) 13–815 of Article – Transportation of the Annotated
3 Code of Maryland be repealed.

4 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
5 read as follows:

6 **Article – Transportation**

7 **13–815.**

8 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
9 MEANINGS INDICATED.

10 (2) “EXCISE TAX” MEANS THE TAX IMPOSED UNDER § 13–809 OF
11 THIS SUBTITLE.

12 (3) “QUALIFIED PLUG-IN ELECTRIC DRIVE VEHICLE” MEANS A
13 ~~4-WHEELED~~ MOTOR VEHICLE THAT:

14 (I) IS MADE BY A MANUFACTURER;

15 (II) IS MANUFACTURED PRIMARILY FOR USE ON PUBLIC
16 STREETS, ROADS, AND HIGHWAYS;

17 (III) HAS NOT BEEN MODIFIED FROM ORIGINAL
18 MANUFACTURER SPECIFICATIONS;

19 (IV) IS ACQUIRED FOR USE OR LEASE BY THE TAXPAYER AND
20 NOT FOR RESALE;

21 (V) IS RATED AT NOT MORE THAN 8,500 POUNDS UNLOADED
22 GROSS VEHICLE WEIGHT;

23 (VI) HAS A MAXIMUM SPEED CAPABILITY OF AT LEAST 55
24 MILES PER HOUR;

25 (VII) IS PROPELLED TO A SIGNIFICANT EXTENT BY AN
26 ELECTRIC MOTOR THAT DRAWS ELECTRICITY FROM A BATTERY THAT:

27 1. HAS A CAPACITY OF NOT LESS THAN 4 KILOWATT
28 HOURS FOR A 4-WHEELED MOTOR VEHICLE AND NOT LESS THAN 2.5 KILOWATT
29 HOURS FOR A 2-WHEELED OR 3-WHEELED MOTOR VEHICLE; AND

1 **2. IS CAPABLE OF BEING RECHARGED FROM AN**
2 **EXTERNAL SOURCE OF ELECTRICITY; AND**

3 **(VIII) IS ACQUIRED BY THE TAXPAYER ON OR AFTER**
4 **OCTOBER 1, 2010, BUT BEFORE JULY 1, 2013.**

5 **(B) (1) A CREDIT IS ALLOWED AGAINST THE EXCISE TAX IMPOSED**
6 **FOR A QUALIFIED PLUG-IN ELECTRIC DRIVE VEHICLE.**

7 **(2) SUBJECT TO THE LIMITATIONS UNDER SUBSECTIONS (C)**
8 **THROUGH (E) OF THIS SECTION, THE CREDIT ALLOWED UNDER THIS SECTION**
9 **EQUALS 100% OF THE EXCISE TAX IMPOSED FOR A VEHICLE.**

10 **(C) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED**
11 **\$2,000.**

12 **(D) THE CREDIT ALLOWED UNDER THIS SECTION IS LIMITED TO THE**
13 **ACQUISITION OF:**

14 **(1) ONE VEHICLE PER INDIVIDUAL; AND**

15 **(2) 10 VEHICLES PER BUSINESS ENTITY.**

16 **(E) A CREDIT MAY NOT BE CLAIMED UNDER THIS SECTION:**

17 **(1) FOR A VEHICLE UNLESS THE VEHICLE IS REGISTERED IN THE**
18 **STATE; OR**

19 **(2) UNLESS THE OWNER HAS ALREADY CONFORMED TO ANY**
20 **APPLICABLE STATE OR FEDERAL LAWS OR REGULATIONS GOVERNING**
21 **CLEAN-FUEL VEHICLE OR ELECTRIC VEHICLE PURCHASES APPLICABLE DURING**
22 **THE CALENDAR YEAR IN WHICH THE VEHICLE IS TITLED.**

23 **(F) THE MOTOR VEHICLE ADMINISTRATION SHALL ADMINISTER THE**
24 **CREDIT UNDER THIS SECTION.**

25 SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding any
26 other provision of law, for fiscal year 2011, \$279,000 shall be transferred from the
27 Strategic Energy Investment Fund established under § 9-20B-05 of the State
28 Government Article to the Transportation Trust Fund to offset a reduction in revenues
29 from the vehicle excise tax credit for qualified plug-in electric drive vehicles
30 established under Section 2 of this Act.

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1 SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding any
2 other provision of law, for fiscal years 2012 and 2013 only, the Governor shall include
3 in the annual budget bill a transfer of funds from the Strategic Energy Investment
4 Fund established under § 9-20B-05 of the State Government Article to the
5 Transportation Trust Fund in an amount ~~estimated to offset the~~ equal to \$939,600 in
6 fiscal year 2012 and \$1,287,000 in fiscal year 2013 to offset a reduction in revenues
7 from the vehicle excise tax credit for qualified plug-in electric drive vehicles
8 established under Section 2 of this Act.

9 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2010.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.